



County Administration

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July 24, 2019

Richard Prudom, Secretary
State of Florida Department of Elder Affairs
4040 Esplanade Way, Suite 315
Tallahassee, FL 32399-7000

Dear Secretary Prudom:

**SUBJECT: AREA AGENCY ON AGING OF PALM BEACH/
TREASURE COAST, INC.**

Palm Beach County was recently advised by James Sugaman, Chair, and Michael Dyer, Foundation Board Chair, of the Area Agency on Aging of Palm Beach/Treasure Coast, Inc. (the Agency), that the Agency is processing the County's Division of Senior Services (DOSS) current payments but is not able to provide a definitive payment commitment or schedule for prior billings. The outstanding balance owed to the County is currently \$1,675,034.52. The program breakdown for the balance is as follows:

Alzheimer's Disease Initiative	\$	409,901.93
Community Care for the Elderly	\$	449,658.72
Home Care for the Elderly	\$	980.60
Federal Older American's Act	\$	<u>814,493.27</u>
	\$	1,675,034.52

Pursuant to the County's contracts with the Agency, the Agency is required to make payment to the County in compliance with Section 215.422, Florida Statutes, which allows for an interest penalty if a warrant in payment of an invoice is not issued within 40 days after receipt of the invoice and receipt, inspection, and approval of the goods and services. Payments from the Agency are beyond the statute's forty-day period, therefore interest is accruing.

It is our understanding that the Agency has been approved and designated by the Department of Elder Affairs to administer the programs listed above. Furthermore, pursuant to the Older Americans

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Act and other federal and state requirements related to the above programs, the Agency must provide assurances to the state that the Agency will maintain the integrity and public purpose of services provided, and service providers, in all contractual and commercial relationships. It appears that the Agency has failed to meet these standards.

We are respectfully requesting that the Department of Elder Affairs intervene and apply any and all available state resources to resolve this outstanding payables issue and, if the Agency remains to be the Department designated entity for this area, to take whatever measures are necessary to insure that the Agency is able to meet its contractual commitments and that any improprieties in the handling of public funds are thoroughly investigated.

Palm Beach County is working diligently to maintain the current level of services to our older residents to avoid disruptions and hardships that are inevitable with program cutbacks. It is unreasonable to expect the County or any other contracted provider to carry this level of debt with no clear indication of when fund recovery is likely to occur.

We appreciate your recent visit and the technical assistance being provided by you and your department, however, we believe that the seriousness of this matter justifies more aggressive action by your department to resolve these financial matters. Our relationship with the Department of Elder Affairs is important to us. Thank you for your leadership, and we maintain our commitment to work cooperatively with you to address this serious issue.

Sincerely,

A handwritten signature in black ink, appearing to be "Jon Van Arnam", written over a circular stamp or seal.

Jon Van Arnam, Deputy County Administrator
Palm Beach County

cc:

Verdenja Baker, County Administrator
Nancy Bolton, PBC Assistant County Administrator
Helene Hvizd, PBC Senior Assistant County Attorney
James Green, PBC Community Services Director
Taruna Malhotra, PBC Community Services, Assistant Director
Faith Manfra, PBC DOSS Director